Foreign CROPS AND MARKETS

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L A T E   N E W S

The most recent official estimate of cotton production in the Anglo-Egyption Sudan placed the 1950-51 crop at 436,000 bales (500 pounds gross weight), or 20 percent above earlier estimates of 363,000 bales, and 43 percent higher than 1949-50 production of 305,000 bales. Cotton area in 1950-51 totaled 539,000 acres, an increase of 25 percent above the 430,000 acres harvested in 1949-50.

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The fifth official cotton production estimate for the State of Sao Paulo, Brazil, places the 1950-51 crop at 935,000 bales (500 pounds gross weight), about 3 percent below the previous official estimate of 967,000 bales. The crop in Sao Paulo forms from 85 to 90 percent of total southern Brazil cotton production. The decline was caused by late planting, cool weather which delayed proper development of the bolls, and heavy insect damage. In 1949-50, the cotton crop in Sao Paulo totaled 821,000 bales.

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FOREIGN CROPS AND MARKETS

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WORLD 1950-51 COFFEE PRODUCTION FORECAST REVISED UPWARD

World exportable coffee production in the 1950-51 crop year now is estimated at about 30.0 million bags (132 pounds each), substantially higher than an early season forecast of 28.4 million bags and slightly above the 1949-50 exportable output of 29.3 million bags. This compares with exportable production of 30.6 million bags in 1948-49 and a prewar (1935-36 to 1939-40) annual average of 35.0 million bags. Overproduction in prewar years resulted in unremunerative prices and necessitated destruction of millions of bags of coffee for which there was no market. Supply and demand are now in close balance and prices are remunerative.

In addition to the coffee available for export to foreign markets, it is estimated that about 8.4 million bags of coffee were produced for domestic consumption. This gives a total production of 38.4 million bags of coffee in 1950-51. Although there was a slight decrease in coffee consumption in some coffee-producing countries because of higher coffee prices, it has been reported that consumption in certain other producing countries increased.

While it is yet much too early to forecast exportable production for 1951-52 for the majority of the coffee-producing countries, tentative forecasts are available for some of the larger ones. On the basis of information available at this time, world exportable coffee production in 1951-52 will approach 33.0 million bags.

Harvesting of the 1951-52 coffee crop began in May 1951 in Brazil, Colombia, and a few other countries. For the other countries, the harvest of the 1951-52 crop will not begin until about October 1951. Assuming favorable weather, Brazil's crop now being harvested should provide about 18.0 million bags for shipment to ports. Subtracting 1.0 million bags for port consumption and coastwise shipments, about 17.0 million bags will probably be available from the 1951-52 crop for export to foreign markets. Colombia's mid-year crop is estimated at 2.3 million bags for export. If the year-end crop is normal, it should provide about 3.2 million bags for export. Therefore, Colombia's 1951-52 exportable coffee production may be forecast at 5.5 million bags, and this amount, added to the 17.0 million bags forecast for Brazil, gives a total of 22.5 million bags for these 2 countries. This is about 2.4 million bags more than the exportable output in these countries in 1950-51. Crops in some countries undoubtedly will be smaller than in 1950-51, but production in North America and Africa should show a net increase. Exportable coffee production in 1950-51 totaled 20.1 million bags for Brazil and Colombia and 9.9 million for other coffee-producing countries. If production in these other countries increases 0.6 million bags to a total of 10.5 million, world exportable coffee production in 1951-52 should reach 33.0 million bags.

CACAO BEANS: Exports from principal producing countries, averages 1935-39 and 1940-44, annual 1947-50

Continent and Country	Averages 1935-39	Averages 1940-44	1947	1948	1949 1/	1950 1/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
NORTH AMERICA:						
Costa Rica	14,356	11,416	10,687	9,384	12,250	9,676
Cuba	101	55	1,649	930	0	1,470
Dominican Republic	54,049	50,055	66,134	56,705	44,163	56,837
Grenada	8,536	6,868	5,179	5,880	5,430	4,281
Haiti	2/ 3,349	2/ 3,173	2/ 4,194	2/ 3,956	2/ 3,439	4,557
Jamaica	4,750	4,216	3/ 3,525	4,222	4,148	4/ 3,000
Mexico	16	24	10,880	527	232	7,567
Nicaragua	792	380	598	300	443	180
Panama	10,418	6,089	6,569	5,872	5,806	4,190
Trinidad and Tobago	31,635	14,477	9,010	18,286	12,832	16,195
Other 5/	637	601	1,120	2,054	1,287	1,444
Total	128,639	97,354	119,545	108,116	89,030	109,397
SOUTH AMERICA:						
Brazil	263,980	233,109	218,350	160,295	291,539	293,107
Ecuador	42,372	31,443	45,760	36,729	42,018	59,346
Venezuela	36,934	31,432	27,569	39,932	29,628	34,326
Total	343,286	295,984	291,679	236,956	363,185	386,779
AFRICA:						
Angola	679	399	784	627	722	676
Belgian Congo	2,809	2,265	4,325	4,894	3,995	3,730
Fernando Po & Rio Muni	6/ 25,168	29,020	28,000	28,069	38,580	33,069
French Cameroons	58,349	56,130	3/ 89,138	92,707	105,850	96,390
French Equatorial Africa	7/	7/	3,519	4,500	4,026	5,397
French Togoland	20,630	7,168	5,963	6,515	4,400	7,700
Gold Coast 8/	609,363	428,705	396,789	495,215	610,474	586,795
Ivory Coast & Dahomey	109,937	58,313	61,835	90,874	123,749	136,183
Nigeria 9/	216,318	184,528	248,176	239,492	232,149	223,879
Sao Thome & Principe	22,496	14,837	18,394	18,000	18,500	17,643
Other 10/	2,482	1,648	1,676	5,009	3,313	5,497
Total	1,068,231	783,013	838,599	985,902	1,145,758	1,116,959
ASIA & OCEANIA:						
Ceylon	7,931	7,349	4,097	5,195	5,277	4,817
Indonesia	3,348	3/ 600	0	1	359	660
New Hebrides	3,916	3,351	3/ 3,100	3/ 2,700	3/ 2,500	1,487
Western Samoa	2,326	3,469	5,327	3,600	5,000	4,211
Total	17,521	14,769	12,524	11,496	13,136	11,175
GRAND TOTAL	1,557,677	1,191,120	1,282,347	1,342,470	1,611,109	1,624,310

1/ Preliminary. 2/ 12 months ending September 30 of year shown. 3/ Revised. 4/ Approximated from unofficial information. 5/ Includes Mexico, Dominica, Guatemala, Guadeloupe, Martinique, St. Lucia, and St. Vincent. 6/ 3 year average. 7/ Not available. 8/ Includes British Mandated Togoland. 9/ Includes British Mandated Cameroons. 10/ Includes Liberia, Madagascar, and Sierra Leone.

Office of Foreign Agricultural Relations. Prepared from official statistics of foreign governments and reports of U.S. Foreign Service officers.

While some improvement in coffee supply is in prospect, all indications point to a continued upward trend in world coffee imports, and there is no present indication of a surplus of coffee in the immediate future. Potential demand is much greater than present productive capacity. The recovery of the European coffee market, normal population growth, and increased per-capita consumption resulting from greater industrialization, more tension, and a spread of the coffee-drinking practice are expected to increase the demand substantially, necessitating much higher production to supply world requirements. An expansion of coffee production is under way in a number of countries. Coffee production costs are increasing, but present coffee prices are sufficiently high to encourage the greater production which will be needed.--By Thomas D. Spivey, based in part upon U.S. Foreign Service reports.

WORLD 1950 CACAO EXPORTS NEAR PEAK

Exports of cacao beans from producing countries in 1950 totaled 1,624 million pounds, the second highest amount in history. World cacao shipments rose rapidly from about 225 million pounds in 1900 to a record total of 1,655 million pounds in 1939. They dropped off considerably during the war and did not reach the prewar level until 1949. Shipments in 1949 amounted to 1,611 million pounds, compared with 1,342 million in 1948, an annual average of 1,191 million in the 1940-44 period, and a prewar (1935-39) annual average of 1,558 million pounds.

Cacao exports from North and South America increased in 1950, whereas shipments from Africa, Asia and Oceania declined. Africa supplied 68 percent of total cacao shipments in 1950, while South America supplied 24 percent and North America 7 percent. Exports of cacao beans from Africa amounted to 1,117 million pounds in 1950, compared with 1,146 million in 1949 and a prewar average of 1,068 million pounds. South America exported 387 million pounds in 1950, compared with 363 million in 1949, and a prewar average of 343 million pounds. Shipments from North America amounted to 109 million pounds in 1950, compared with 89 million in 1949 and a prewar average of 129 million pounds. Exports from Asia and Oceania totaled only 11 million pounds in 1950.

The Gold Coast and Nigeria furnished about one-half of world cacao exports in 1950. Shipments from the Gold Coast amounted to 587 million pounds, while exports from Nigeria totaled 224 million pounds. This represented a decline of 23 million pounds for the Gold Coast and 8 million pounds for Nigeria below 1949 exports. Swollen Shoot disease has resulted in the destruction of millions of cacao trees in recent years in these 2 British colonies, but production remains high. The recent discovery of a highly effective insecticide to combat the mealy bugs which spread the virus has given rise to hope that the Swollen Shoot menace to the British West African cocoa industry eventually will be overcome.

COFFEE: Estimated total and exportable production in specified countries, average 1935-36 to 1939-40, annual 1948-49 to 1950-51 1/

Continent and Country	Average 1935-36 to 1939-40		1948-49		1949-50 2/		Forecast 1950-51 2/	
	Total	Exportable	Total	Exportable	Total	Exportable	Total	Exportable
	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags	1,000 bags
North America								
Costa Rica	390	330	305	275	390	330	305	265
Cuba	425	58	465	3/	665	3/	535	3/
Dominican Republic	347	222	345	235	360	250	365	255
El Salvador	1,091	1,011	1,325	1,225	1,250	1,150	1,140	1,050
Guatemala	1,002	922	1,150	980	1,100	950	925	775
Haiti	538	438	680	485	640	445	600	380
Honduras	57	27	110	70	155	115	160	120
Mexico	959	609	1,100	725	950	650	1,065	815
Nicaragua	280	253	155	110	390	345	255	210
Others 4/	251	130	350	45	340	50	325	45
Total	5,340	4,000	5,985	4,150	6,240	4,285	5,675	3,915
South America								
Brazil 5/	25,340	21,740	20,340	15,740	19,300	15,000	19,500	15,300
Colombia	4,452	4,202	6,140	5,600	5,740	5,200	5,340	4,800
Ecuador	268	223	345	310	215	180	410	375
Peru	80	47	75	0	75	3/	85	3/
Venezuela	940	740	800	500	570	270	600	300
Others 6/	83	50	30	10	30	10	35	15
Total	31,163	27,002	27,730	22,160	25,930	20,660	25,970	20,790
Africa								
Angola	300	273	620	570	610	540	970	900
Belgian Congo	320	300	520	510	535	525	550	540
Ethiopia	345	263	385	270	465	350	615	500
French West Africa 7/	250	207	1,135	1,050	1,035	950	985	900
Kenya	297	293	112	105	107	100	167	160
Madagascar	537	437	450	400	535	485	490	440
Tanganyika	263	260	257	250	237	230	312	305
Uganda	225	222	532	525	452	445	637	630
Others 8/	65	60	310	290	350	330	370	345
Total	2,602	2,315	4,321	3,970	4,326	3,955	5,096	4,720
Asia								
India	278	155	365	65	345	75	340	25
Indonesia	1,961	1,356	400	135	520	90	975	310
Yemen	80	76	80	75	100	95	105	100
Others 9/	75	60	110	35	110	30	115	20
Total	2,394	1,647	955	310	1,075	290	1,535	455
Oceania 10/	101	53	90	50	100	70	110	80
World Total	41,600	35,017	39,081	30,640	37,671	29,260	38,386	29,960

1/ In bags of 132.276 pounds each. Production is given by crop years in the various countries. Generally, the main coffee harvesting period begins about October and continues until February or March of the following year, except in certain Southern Hemisphere countries such as Brazil, Madagascar, and Indonesia where the main harvest begins April to June and is completed in September or October of the same year. Exportable production is total production minus domestic consumption. 2/ Preliminary. 3/ Exports prohibited. 4/ Includes British West Indies, Guadeloupe, Panama Republic, and Puerto Rico. 5/ Statistical series revised by subtracting estimates of port consumption and coastwise shipments from Brazilian National Coffee Department's statistics of farm despatches toward ports to obtain adjusted estimates of exportable production. Revised estimates of Brazilian coffee consumption added to adjusted estimates of exportable production to obtain total production. 6/ Includes Bolivia, Paraguay, and Surinam. 7/ Includes Dahomey, French Guinea, Ivory Coast, and Senegal. 8/ Includes Cape Verde, French Cameroons, French Equatorial Africa, French Togoland, Liberia, Sao Thome and Principe, Sierra Leone, and Spanish Africa. 9/ Includes French Indochina, North Borneo, Philippines, and Timor. 10/ Includes Hawaii, New Caledonia, and New Hebrides.

Office of Foreign Agricultural Relations. Official estimates of foreign countries, reports from U.S. Foreign Service Officers, and other information.

Exports from the French Cameroons declined 10 million pounds from 106 million in 1949 to 96 million in 1950, and shipments from Fernando Po and Rio Muni decreased 6 million pounds from 39 million in 1949 to 33 million in 1950. On the other hand, exports from the Ivory Coast and Dahomey increased 12 million pounds from 124 million in 1949 to 136 million in 1950.

Brazil is the second most important cacao producing country. It supplied nearly one-fifth of world cacao exports in 1950. The record total of 293 million pounds of cacao beans exported in 1950 slightly exceeded the 1949 exports of 292 million pounds, and was 11 percent above the prewar average of 264 million pounds. In addition to cacao beans, Brazil exported 19 million pounds of cacao butter, 14 million pounds of cacao cake, and 5 million pounds of cacao paste in 1950.

Ecuador's cacao exports increased 17 million pounds from 42 million in 1949 to 59 million in 1950. Shipments of cacao beans from the Dominican Republic increased 13 million pounds from 44 million in 1949 to 57 million in 1950. Mexico exported about 8 million pounds of cacao beans in 1950 compared with a negligible quantity in 1949.--By Thomas P. Spivey, based in part upon U.S. Foreign Service reports.

COMMODITY DEVELOPMENTS

TOBACCO

CHINA PLANS LARGE EXPANSION OF FLUE-CURED TOBACCO PRODUCTION

Communist China plans to treble Chinese production of flue-cured tobacco in 1951, according to the American Consulate, Hong Kong, but reliable trade estimates indicate that flue-cured production for 1951 will fall considerably short of the indicated goal. The output is, however, expected to be far above the 1950 level.

The 1951 flue-cured type leaf production goal set by Communist China is about 260 million pounds from 195,000 acres compared with 80 million pounds from 80,000 acres in 1950. It is reported that if this production goal could be attained it would make Communist China practically self-sufficient in flue-cured type leaf during 1951-52 even allowing for the 10-20 percent increase in total tobacco consumption.

GUATEMALA'S TOBACCO IMPORTS INCREASED

Guatemala's 1950 unmanufactured tobacco imports were 6 percent above 1949, according to D.M. Crawford, Agricultural Attache, American Embassy, Guatemala City.

The country's 1950 unmanufactured tobacco imports totaled 435,944 pounds compared with 411,050 pounds in 1949. The United States, the most important 1950 source of unmanufactured tobacco, supplied 422,891 pounds, or 97 percent of the imports. Other countries supplying Guatemala with unmanufactured tobacco during 1950 were Nicaragua, Cuba, Puerto Rico, Mexico, Turkey and the Netherlands. In addition to unmanufactured tobacco, Guatemala also imported, 5,298 pounds of cigarettes, 1,354 pounds of cigars and 1,210 pounds of smoking tobacco in 1950.

CUBA'S MINIMUM PRICES FOR
SUN-GROWN LEAF INCREASED

According to decree Number 1972 issued by the Cuban Government on June 9, 1951, the minimum prices to growers for 1950-51 sun-grown leaf tobacco was increased above the 1949-50 minimum prices paid, the American Embassy in Havana reports.

Cuba's official minimum price for sun-grown leaf are as follows: unstalked tobacco $22.50 per quintal (22.2 cents per pound); stalked $35.75 per quintal (35.2 cents per pound); string $45.00 per quintal (44.3 cents per pound); and baled suckers of inferior grade $40.00 per quintal (39.4 cents per pound).

The country's 1950-51 leaf harvest is tentatively estimated at 72 million pounds. This corresponds to the 1949-50 record harvest of 93.6 million pounds and 53.8 million in 1948-49. The anticipated 1950-51 production is 12 percent above the 64.3 million pounds set by the Cuban Government for production in 1950-51 and ensuing crop years.

LIVESTOCK AND ANIMAL PRODUCTS

SOUTHERN HEMISPHERE
WOOL MOVEMENT DOWN 1/

Movement of the 1950-51 wool clip of the major producing countries of the Southern Hemisphere has been at a lower rate than in the previous season. Total exports for the season through March 31, 1951 were 1,371 million pounds compared to exports of 1,588 million pounds for the same period last year and 1,377 million pounds through March of the 1948-49 season, according to preliminary data available to the Office of Foreign Agricultural Relations.

Exports from Australia, New Zealand, and Argentina for the period were below exports of the previous season. Carry-in stocks were lower than in former years in all these countries and exports were made up largely of new-clip wool. Sales for the period in Australia were about 200,000 bales below sales in the previous year and wool shipped abroad for sale amounted to only 17,000 bales, about half of the figure for last season through March.

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular by the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D. C.

WOOL: Exports from Southern Hemisphere countries, 1950-51 season through March 1/ with comparison

(actual weight)

Principal countries of destination	Australia		New Zealand		Union of South Africa		Argentina		Uruguay	
	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51	1949-50	1950-51
	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.	Mil. lbs.
U. S.	101.4	109.4	27.0	26.2	22.3	32.1	149.8	71.5	38.8	103.3
U. K.	340.0	238.6	140.0	85.6	45.8	45.1	1.6	6.7	0	1.0
Canada	11.2	7.2	6.2	4.8	0.7	1.0	0.1	2/	0	0.1
Continental Europe										
France	119.3	103.3	21.3	19.0	20.1	25.9	27.5	15.8	2.0	5.0
Belgium ...	95.0	76.3	7.8	6.3	17.3	16.2	6.1	3.7	5.1	8.4
Germany ...	46.3	35.7	20.3	10.1	19.8	19.2	5.7	7.4	3.6	1.2
Italy	44.8	57.0	3.7	3.8	7.1	16.3	7.7	7.7	3.5	3.4
Others	53.7	37.3	16.0	19.4	6.9	3.5	15.5	16.2	3.4	6.6
Total ...	359.1	309.6	69.1	58.6	71.2	81.1	62.5	50.8	17.6	24.6
Others	97.5	90.9	14.9	6.2	7.5	5.3	2.0	8.0	1.1	3.2
Total	909.2	755.7	257.2	181.4	147.5	164.6	216.0	137.0	57.5	132.2

1/ Season begins July 1 in Australia, New Zealand, and Union of South Africa and October 1 in Argentina and Uruguay. 2/ Less than 50,000 pounds.

Compiled from official sources and reports of U. S. Foreign Service officers.

Office of Foreign Agricultural Relations

The strike of dock workers in New Zealand in the early part of 1951 seriously curtailed shipments and sales of wool in that country. In Argentine a reduction in exportable supplies for the season as a result of smaller carry-in and restrictions on exports through failure of the government to grant export licenses at the lower prices prevailing since mid-March have contributed to the smaller export figure.

Movement from Uruguay and the Union of South Africa in the 1950-51 season through March was considerably above that in the previous year. In both countries production has increased and unsold stocks carried into the season were a little larger than in the previous year making more available for export during the current season. Exports from Uruguay were held back in this period of the 1949-50 season because of the strike of wool handlers at the port. In both countries sales and exports have progressed rapidly this year, with no impediments, leaving very little wool on hand for export for the remainder of the season.

The distribution of the Southern Hemisphere clip among the chief consuming countries for the period showed considerable change from the previous season. The United States and Italy were the only countries receiving more wool this season than in 1949-50. Exports to the United States were up only about 3 million pounds, however purchases have been greater in the later months of the season. Exports to Italy were on low level in the 1949-50 and movement this season marks a return to more normal expectation.

The United Kingdom had the greatest actual and percentage decrease from the previous year, with Canada and Germany following a close second and third percentagewise. France, Belgium, and other European countries showed a decrease of around 14 percent. The reduced availability of wool and the consequent high prices that have prevailed during the season are reflected in these export data.---By Eugene T. Ransom, based in part upon U.S. Foreign Service reports.

BELGIAN MEAT SITUATION

Meat production in Belgium in 1950, according to recent official statistics, exceeded 1949 by about 12 percent or 77 million pounds, according to Robert N. Anderson, Agricultural Attache, American Embassy, Brussels. The 1950 output was greater than the preceding postwar years and even exceeded the 1936-38 average by around 3 percent or 21 million pounds.

Pork output increased sharply in 1950, exceeding the preceding year by 25 percent and the 1936-38 average by around 4 percent. However, the high slaughter of hogs in 1950 helped to depress prices. This, in turn, discouraged producers and resulted in a reduction in hog numbers, reflected by the census at the beginning of this year. The large pork production last year permitted Belgium to export some fresh pork and bacon to Western Germany and the Netherlands.

Beef and veal and mutton output in 1950 was somewhat larger than the previous year, but horsemeat production declined.

BELGIUM: Number of livestock slaughtered and meat production, carcass weight, in 1950, with comparison

Type	Average 1936-38		1949		1950	
	Slaughter	Production	Slaughter	Production	Slaughter	Production
	1,000 head	Mil. lb.	1,000 head	Mil. lb.	1,000 head	Mil. lb.
Beef and veal	856	308	707	270	759	287
Pork	1,955	362	1,631	300	2,066	376
Mutton and goat	144	7	96	5	117	6
Horse	21	15	86	61	68	44
Total meat	-	692	-	636	-	713

National Statistical Institute, Brussels.

Total meat consumption during 1950 was slightly below the preceding year and also the 1936-38 average. Domestic meat production supplied over 99 percent of consumption requirements. The consumption of pork last year neared the prewar level, attributed largely to the relatively low price of pork compared to beef.

While total meat consumption in 1950 was about 1 percent below the prewar level, per capita consumption was down about 4 percent, taking into account the increase in population.

BELGIUM: Meat consumption, by type, in 1950, with comparison

Type	Average 1936-38		1949		1950	
	Mil. lb.	Percent	Mil. lb.	Percent	Mil. lb.	Percent
Beef and veal	325	44.4	326	44.5	304	41.8
Pork	362	49.3	306	41.8	351	48.3
Mutton and goat	10	1.3	10	1.3	9	1.3
Horse	37	5.0	90	12.4	62	8.6
Total meat	734	100.0	732	100.0	726	100.0

Revue de l' Agriculture, Brussels.

Current Situation - During the first quarter of 1951, meat production was about 13 percent above comparable 1950, with increases mainly in the beef and horse meat output. Imports of live animals and frozen meat increased in 1951, while imports of fresh meat were down. For canned meat and bacon Belgium remained on a net export basis. Livestock prices to the producers increased over last year. Hog prices showed the largest increase, rising about 65 percent from April 1950 to April of this year.

PORTUGAL AGAIN NET EXPORTER OF DAIRY PRODUCTS IN 1950 1/

Conditions in Portugal were favorable for dairy production in 1950, compared with 1949, and more especially with 1946-48. Throughout the year, weather was excellent and feed was generally abundant. Milk production showed a marked improvement over the earlier year, with much larger supplies being directed to dairy plants for use in the manufacture of dairy products. Output of butter in 1950 was almost twice as heavy as in 1949, permitting the accumulation of stocks for distribution in the months of short supply. Production of dried milk and casein also increased, while output of both cheese and condensed milk was somewhat below the 1949 level.

Prior to World War II, Portugal was a net importer of dairy products. In 1950, as in 1949, Portugal was a net exporter of these commodities, most of which went to Portuguese colonies. Also in 1950, the first exports of casein from Portugal to the United States were made.

FATS AND OILS

U.K. TO PURCHASE LINSEED OIL AND SUNFLOWER OIL FROM URUGUAY

The United Kingdom has reached an agreement with Uruguay to purchase linseed oil and sunflower seed oil, reports Dale E. Farringer, Agricultural Attache, American Embassy, Montevideo. The British Government expects to purchase 5,000 metric tons (5,500 short tons) of linseed oil at around L 160 ($448) per metric ton ($406 per short ton) and an additional 10,000 tons later if the price is relatively unchanged. (See Foreign Crops and Markets, April 9, 1951, Vol. 62, No. 15, Page 412 for details concerning Uruguay's export conditions for linseed oil.)

The British Ministry of Food expects to purchase 10,000 metric tons of semi-refined sunflower seed oil at the f.o.b. price of L 230 ($644) per metric ton ($584 per short ton). The Uruguayan Export and Import Control Agency will assign export quotas among crushers in

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular by the Office of Foreign Agricultural Relations, U.S. Department of Agriculture, Washington 25, D.C.

position to ship sunflower oil before December 31, 1951. (See Foreign Crops and Markets, June 18, 1951, Vol. 62, No. 25, Page 712 for regulations relating to Uruguayan exports of sunflower oil.)

It is believed that the 10,000-ton figure represents the exportable surplus of oil from the current sunflower crop--unofficially estimated at around 82,500 short tons of seed. Should a record harvest of over 100,000 tons be realized, as many crushers expect, small additional supplies likely will be available for export.

MALAYAN PALM OIL AND
KERNEL EXPORTS 1950

Exports of palm oil and palm kernels from the Federation of Malaya during 1950 totaled 57,350 and 10,168 short tons, respectively, according to the American Embassy, Singapore. The volume of palm oil dropped about 7 percent from the quantity shipped in 1949 while kernel exports rose 4 percent from the previous year.

According to the terms of a contract with the British Ministry of Food, the United Kingdom received the bulk of the palm oil - 54,913 tons. Palm kernels purchased by the Netherlands totaled 4,167 tons, Sweden - 3,093, Western Germany - 1,314, Denmark - 1,287, and the United Kingdom 307 tons.

Production of palm oil and kernels increased slightly in 1950. Palm oil output amounted to 59,550 tons against 56,630 tons during 1949. Palm kernel production of 13,440 tons increased one-fourth from the 10,460 tons of 1949.

MALAYAN NET EXPORTS OF COPRA
AND COCONUT OIL RISE IN 1950

The Federation of Malaya exported 124,763 long tons of copra and 57,032 tons of coconut oil during 1950, according to the American Embassy, Singapore. Imports during the year amounted to 119,985 tons of copra and 987 tons of coconut oil. Net exports on a copra-equivalent basis of 93,750 tons represented an increase of nearly one-third from the net figure of 71,600 tons during the previous year.

The principal recipients of the copra were: Denmark - 23,599 tons, Sweden - 21,670; Western Germany - 18,653; and the Netherlands - 18,013 tons. Coconut oil was shipped to the following countries: Indonesia - 13,435 tons, Italy - 8,191, the Netherlands - 7,709; and Western Germany - 7,608 tons.

The bulk of the copra imports was received from Indonesia--90,855 tons, while British North Borneo supplied 21,458 tons. Of the 987 tons of coconut oil imported, 850 tons originated in Indonesia.

Copra production during 1950 was reported at 149,478 tons compared with 122,937 tons during 1949. Coconut oil output of 90,470 tons was slightly less than the 90,962-ton output of the year before.

BRAZILIAN CARNAUBA WAX OUTPUT
TOTALS 12,570 TONS IN 1950-51

Brazilian production of carnauba wax from the 1950-51 crop amounted to approximately 12,570 short tons, or somewhat greater than the 12,280 tons produced in 1949-50.

Factors primarily responsible for the better-than-average harvest this year were: (1) extremely favorable prices - the warehouse price this year being almost double the price offered early in 1950 and (2) the drought that plagued northeastern Brazil from December 1950 through March of this year - this increased the protective wax coating (carnauba) that is exuded by the palm frond to deter normal moisture evaporation. The States of Piaui and Ceara, normally the largest producers of carnauba wax, together accounted for more than 85 percent of the total output during the last 2 years.

Exports of carnauba wax in 1950 of about 14,000 tons probably established a new record. Official foreign trade statistics for the first 11 months of last year place exports at 12,747 tons while unofficial sources indicate that 1,268 tons were shipped in December. Prior to 1950, the largest total on record was for 1944 when 12,970 tons were shipped. In 1949, exports totaled 12,236 tons. As in previous years, the United States in 1950 was by far the major customer for carnauba wax, taking almost 80 percent of the total exports. Since the time when the first offerings were made from the new crop in October 1950, exports through March 1951 amounted to approximately 5,730 tons.

At the beginning of April total stocks available for sale or shipment probably amounted to about 6,060 tons. An unusual feature of the carnauba market at the beginning of the new crop in September of 1950 was the very small carry-over from previous crops, probably not more than 275 - 330 tons.

As of mid-April, Fortaleza warehouse prices for one arroba (33 pounds) of Fatty Grey Carnauba Wax fluctuated between 660 and 680 cruzeiros (U.S. \$35.20 - \$36.30). This level represented a considerable decline from the high prices in excess of 800 cruzeiros (U.S. \$42.70) offered early in the year, but was still almost double the prices offered in January 1950. The high prices were first induced by the inclusion of carnauba wax under the compensation or barter deals, and were sustained by a somewhat speculative evaluation of an increased demand for wax in defense buying. There seems to be a general feeling in the local market that no difficulty will be encountered in disposing of the entire current crop at favorable prices. The chief comment of local producers and dealers has been that present prices are still too low in view of the supply-demand picture.

Only minor efforts have been made in recent years to improve either the volume or quality of carnauba wax. Such a program, to have any appreciable effect, would probably take 10 to 15 years. It is likely therefore that production of wax is near a maximum unless various factors which influence the gathering and marketing of the wax should all be favorable. Even then total production probably could not be increased more than 15 to 20 percent over present levels.

GRAINS, GRAIN PRODUCTS AND FEEDS

CANADA'S GRAIN PROSPECTS GOOD, THOUGH WARMTH, RAINS NEEDED

Prospects for 1951 grain crops remain generally good-to-excellent in the principal producing areas of Canada, according to a telegraphic crop condition report of July 4 by the Dominion Bureau of Statistics. The outlook is favorable, although the season is late especially in Alberta, and warmer weather is needed to promote growth. Unusually good subsoil moisture reserves at the beginning of the season have largely offset lack of adequate rainfall in some parts of the Prairie Provinces.

Early seeded grain is heading freely in Manitoba. Despite less than normal rainfall, crops there are generally promising. Cool weather, along with the carry-over of moisture from last season, made the lack of rain this year less serious than it would have been otherwise. Latest reports note that rain was needed in south and central areas and warmer weather would be beneficial throughout the Province to promote crop development.

Crop prospects in Saskatchewan are generally good. The moisture situation was satisfactory at latest report except in the northwest where rain was needed. Warmer weather was also desirable to promote growth in all areas. In Alberta grain crops rooted well, with early seedings well stooled in early July. Moisture supplies were ample-to-excessive in south and central areas, but surface moisture particularly was barely adequate in the Grande Prairie district and the northeast - central section of the Province. Growth of late-sown grain, especially, was retarded by cold weather in June and warmer weather was badly needed to stimulate growth.

Continued dry weather in British Columbia has reduced crop prospects generally. Grains were heading prematurely in some districts and yields will suffer. This is, of course, not a major producing area.

In contrast with the dry areas of the main grain belt, the eastern Provinces have had ample rainfall. Above-normal rains in Ontario during June were beneficial, and excellent prospects are reported for small grains. The current outlook is for heavy grain crops with oats and barley already heading out in early July. Winter wheat, grown principally

in this Province, was fully headed. Prospects for corn were less favorable than for small grains. Warmer weather was needed for the corn crop which is virtually all grown in this Province. Frequent rains have held up harvesting of the exceptionally large hay crop and in some sections there was danger of loss from spoilage.

Condition of all grains in Quebec continues good following recent general rains. Prospects for the hay crop are also generally very good.

COTTON AND OTHER FIBER

CANADIAN COTTON CONSUMPTION REMAINS HIGH

Consumption of cotton in Canada continues at a high level with about 44,500 bales (500 pounds gross weight) consumed both in April and May 1951. This brings the 10-month August-May 1950-51 consumption to 410,000 bales, compared to 351,000 bales during the corresponding period of the 1949-50 season. This 17 percent increase in consumption reflects the strong consumer demand in the past 12 months combined with increased defense orders.

Although a slight seasonal decline is expected in July, total 1950-51 consumption is currently estimated at 485,000 bales, somewhat higher than the 475,000 bales predicted a few months before. This would be 15 percent above the 421,000 bales consumed in 1949-50. Military orders, which are just getting under way, are expected to push consumption in 1951-52 to as much as 10 percent above the level of the current season, with 525,000 or 530,000 bales mentioned as a possible rate of consumption during the coming season. Since all of the Canadian mills are not yet operating at full capacity, activity can be increased somewhat, providing the labor supply is adequate. In addition, higher operating levels may be attained through more efficient utilization of the installed capacity in order to achieve increased output in 1951-52.

Of the estimated 485,000 bales to be consumed in 1950-51, only about 60,000 bales will be Mexican cotton, imported in the first few months of the season. The remaining 425,000 bales will be almost entirely of United States origin. This large consumption of American cotton resulted from Canada's exemption from United States cotton export controls and the sharp advance in prices of foreign growths. Mexican cotton may again be imported during 1951-52 if the price falls below that of United States cotton, but Canadian importers now are proceeding cautiously in this respect. A large United States crop in 1951-52 could bring prices of foreign cotton, Mexican in particular, down to a level which would again attract Canadian importers. On July 5, Middling 15/16 inch Mexican cotton was nominally quoted at the equivalent of 44.60 U.S. cents a pound, with the export tax included, while the same type of cotton averaged 43.98 cents a pound on the Houston, Galveston and New Orleans markets.--By John E. Manger, based in part upon a report by Philip C. Habib, Agricultural Vice Consul, American Embassy, Ottawa.

COTTON-PRICE QUOTATIONS
ON WORLD MARKETS

The following table shows certain cotton-price quotations on world markets converted at current rates of exchange.

COTTON: Spot prices in certain foreign markets, U.S. gulf-port average, and taxes incident to exports

Market location, kind, and quality	Date 1951	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound: Spot quotation	Equivalent U.S. cents per pound: Export and intermediate taxes
Alexandria		Kantar				
Ashmouni, Good	7-12	99.05 lbs.	Tallari	124.00	71.86	2.96
Ashmouni, FGF	"	"	"	92.00	53.32	2.96
Karnak, Good	"	"	"	174.65	101.22	2.96
Karnak, FGF	"	"	"	139.65	80.93	2.96
Bombay		Candy				
Jarila, Fine	"	784 lbs.	Rupee	1/ 770.00	20.50	21.30
Broach Vijay, Fine	"	"	"	1/ 840.00	22.36	21.30
Karachi		Maund				
4F Punjab, SG, Fine	7-11	82.28 lbs.	"	114.00	41.80	23.09
289F Sind, SG, Fine	"	"	"	123.00	45.10	23.09
289F Punjab, SG, Fine	"	"	"	125.00	45.83	23.09
Buenos Aires		Metric ton				
Type B	7-12	2204.6 lbs.	Peso	2/8000.00	72.58	6.77
Lima		Sp. quintal				
Tanguis, Type 3-1/2	7-10	101.4 lbs.	Sol	565.00	37.27	14.61
Tanguis, Type 5	"	"	"	2/ 559.00	36.87	13.60
Pima, Type 1	"	"	"	(not quoted)		
Recife		Arroba				
Mata, Type 4	7-12	33.07 lbs.	Cruzeiro	330.00	54.29	2.4% ad
Sertao, Type 5	"	"	"	(not quoted)		valorem
Sertao, Type 4	"	"	"	350.00	57.58	" "
Sao Paulo						
Sao Paulo, Type 5	"	"	"	255.00	41.95	3.0% Ad
Torreon		Sp. quintal				valorem
Middling, 15/16"	"	101.4 lbs.	Peso	240.00	27.36	5.98
Houston-Galveston-New						
Orleans av.Mid. 15/16"	"	Pound	Cent	XXXXX	40.85	-----

Quotations of foreign markets and taxes reported by cable from U.S. Foreign Service posts abroad. U.S. quotations from designated spot markets.

1/ Ceiling price.

2/ Nominal.

LATE NEWS

(Continued from Page 44)

United States cotton exports in May totaled 385,000 bales of 500 pounds gross (371,000 running bales) including 141,000 bales to Italy, 52,000 to Canada, 51,000 to France, 32,000 to Germany, 22,000 to Japan, 17,000 to the Netherlands, 15,000 to Yugoslavia and 14,000 to Austria. The total for August-May 1950-51 amounted to 3,936,000 bales (3,784,000 running bales). (A more complete report will be found in Foreign Crops and Markets of July 23).

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Transshipments (U.S. trade records) of Mexican cotton through United States ports (excludes shipments to Canada by railroad) amounted to 56,000 bales of 500 pounds in April. The August-April 1950-51 total of 857,000 bales includes 276,000 bales to Japan 157,000 to the United Kingdom, 130,000 to Belgium, 57,000 to Italy, 49,000 to Switzerland, 33,000 to Sweden, 29,000 to France, 21,000 to Canada (plus about 40,000 bales shipped by rail) 20,000 each to Germany and Spain and 18,000 to the Netherlands.